

Free File program Assessment Final Report - Appendix B: External Program Review Crosswalk

PRE-DECISIONAL - FOR INTERNAL IRS USE ONLY - NOT FOR PUBLIC RELEASE

Recommendation Category	IRS-C, Recommended Program Number, TBEA, dated Nov. 2018	IRS-C, Recommended Program Number, TBEA, dated Nov. 2018	MITRE Findings
Publication 531 (1) – 2018, Catalog Number, TBEA, dated Nov. 2018	2018 Annual Report to Congress – Volume I	2018 Annual Report to Congress – Volume II	MITRE Recommendations
<b>Goal, Objectives, Performance Metrics</b>	<p>Revitalize and develop short- and long-term goals, objectives and performance metrics for the Free File program specifying what the IRS wants to accomplish through the program and the renewal of the MOU.</p> <p>Develop metrics for increased oversight of the Free File program and for FFAs Members' compliance with the MOU.</p>	<p>Develop a sustainable goal for the Free File program, including any cost-savings percentages, prior to entering into a new agreement with the Free File.</p> <p>The primary objective of pursuing the value for free tax filing by FFAs is to demonstrate that the regulation has been met. The filing of a new agreement with the Free File.</p> <p>The primary objective of pursuing the value for free tax filing by FFAs is to demonstrate that the regulation has been met. The filing of a new agreement with the Free File.</p>	<p>The IRS and FFAs have not revisited the objectives of the program since its inception. The objectives (reflected in the MOU) are outdated and do not reflect leadership's current view of program success.</p> <p>FFAs are not involved in the development of the Free File program.</p> <p>FFAs are not involved in the development of the Free File program.</p> <p>The primary objective of pursuing the value for free tax filing by FFAs is to demonstrate that the regulation has been met. The filing of a new agreement with the Free File.</p> <p>The primary objective of pursuing the value for free tax filing by FFAs is to demonstrate that the regulation has been met. The filing of a new agreement with the Free File.</p>
<b>Program Management</b>	<p>Develop more robust processes for review of best practices of the FFAs and its Member to ensure fairness, objectivity and transparency. One way to achieve this goal is through an annual independent audit of each Member of the FFAs.</p> <p>Develop systems and controls to check for FFAs Member websites during the filing season, including most prominently reporting in a timely manner and through third-party auditors.</p>	<p>Develop more robust processes for review of best practices of the FFAs and its Member to ensure fairness, objectivity and transparency. One way to achieve this goal is through an annual independent audit of each Member of the FFAs.</p> <p>Develop systems and controls to check for FFAs Member websites during the filing season, including most prominently reporting in a timely manner and through third-party auditors.</p>	<p>There appears to be little understanding that the Free File program is unlike other IRS programs in that it is a public-private partnership and as such, IRS does not have complete control or oversight.</p> <p>Because the Free File program is a FPP, and not a paid-contracted relationship, it must work collaboratively with industry on IRS program office conducts number web site reviews, evaluates member sites' coverage and monitors member sequence files, while working closely with FFAs' auditors, document, and resolve any identified or potential compliance breaches.</p> <p>IRS's existing agency governance of the Free File program effectively allows the program to fulfill the IRS's currently articulated goals in the program.</p>
<b>IRS General Website Changes</b>	<p>Expand the annual audit requirements of FFAs Members who process their own tax returns, including third-party audit of each Member to IRS.</p> <p>IRS will require FFAs Members that file their own tax returns to provide a written audit report to the IRS. This audit report will include a copy of the audit report from the third-party auditor, if applicable. The audit report will also include a copy of the audit report from the FFAs Member, if applicable. However, the IRS also understands that this audit is a review and findings are not shared with the IRS. Congress has the right to audit.</p>	<p>Expand the annual audit requirements of FFAs Members who process their own tax returns, including third-party audit of each Member to IRS.</p> <p>IRS will require FFAs Members that file their own tax returns to provide a written audit report to the IRS. This audit report will include a copy of the audit report from the third-party auditor, if applicable. The audit report will also include a copy of the audit report from the FFAs Member, if applicable. However, the IRS also understands that this audit is a review and findings are not shared with the IRS. Congress has the right to audit.</p>	<p>While the program office does not have update, measurable objectives for internal tax processing performance, it should oversight of member compliance which follows the provisions of the MOU and meets our program objectives.</p>
<b>Free File Program Offer</b>	<p>Increase communication on the IRS website to further highlight a strategy to increase the IRS website as being soon as the funding of FFAs.</p> <p>Free File website.</p>	<p>Increase communication on the IRS website to further highlight a strategy to increase the IRS website as being soon as the funding of FFAs.</p> <p>Free File website.</p>	<p>MITRE recommends that a health assessment of the FPP become part of the overall metrics for the Free File program, using a generally accepted methodology developed by external sources, such as that used by MITRE in this assessment.</p> <p>MITRE further recommends that the IRS Free File program Office incorporate data, including the unique nature of the FPP in terms of joint participation and the value a FPP provides to FFAs members, as central themes when developing criteria (publicly) describing the program to stakeholders.</p> <p>• Web search metrics (e.g., number of clicks on the Free File link on the IRS.gov home page, percentage of selected keyword searches that bring taxpayers to the IRS.gov listing page, etc.)</p> <p>• Actual number of Free File taxpayer and data participants (e.g., 45% of the DIY community minus RAs/RACs)</p> <p>• Average user satisfaction (e.g., offering parameters, etc.)</p> <p>• Average user feedback (e.g., user satisfaction, etc.)</p> <p>• User satisfaction metrics (e.g., number of clicks on the Free File link on the IRS.gov home page, percentage of selected keyword searches that bring taxpayers to the IRS.gov listing page, etc.)</p>

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Recommendation Category	(Publication 5316-01, 2018, Catalog Number 17834A, dated Nov. 2018)	IRS Recommendations	
		2018 Annual Report to Congress – Volume One	MITRE Findings
Outreach and Advertising	<p>I limit third-party advertising of FFA Member Free File sites. Currently, some FFA Members permit third-party vendors to advertise services on the FFA Member's Free File website while taxpayers are going through the tax filing process. Such activity is costing and potentially misleading depending on the content of the advertising.</p> <p>Require the FFA to spend a certain percentage of its membership dues for advertising and promotion of the program.</p>	<p>(v) Program an advertising and outreach plan is made available to the public in a manner that is consistent with IRS' mission and taxpayer needs.</p>	<p>The IRS has collected demographic data on users of Free File and migration data of those users, but they do not have demographic data of the potential pool of Free File users. This data would be helpful in targeting outreach (see section 4.).</p> <p>If the total population pool of 103 million taxpayers who are eligible may not represent an accurate picture of the pool of employees who are candidates to Free File.</p> <p>Taxpayers make choices that fall out of the candidate pool by (for example) using a paid preparer or choosing a R&amp;M, use Free File (not taking into consideration those who chose free commercial offices). There is no consensus on what would be an acceptable number. White each individual member receives customer feedback in various ways for their own Free File product, the IRS has not conducted a customer survey since 2009.</p> <p>The IRS has no access to data that could indicate whether a DXY flyer mail or a banner or received free commercial offering for the coming year and not through IRS website can be directed easily to (and in fact reasonably so) FFA Members' Free File websites.</p> <p>Every year, provide all free File users (including those who do not successfully complete a return) the option to complete customer satisfaction surveys. Share high-level statistical information between the IRS and each FFA Member, particularly conversion rates, to assist in measuring taxpayer experience with the program as well as the overall success/failure of the program.</p>
Free File Fillable Forms	<p>Improve the capabilities offered to taxpayers through a linking from IRS form instructions to related IRS publications.</p> <p>b) Providing increased guidance for common items of "free file taxpayer" software to download, save, and print all forms with troubleshooting assistance, and d) Creating a dedicated mail where taxpayers can get help when experiencing technology glitches.</p> <p>If the above recommendations are not substantially adopted, discontinue the Free File forms program and improve electronic Free Fillable forms program (dovey above).</p>	<p>In Free File Fillable Forms were not within the scope of the MITRE assessment.</p>	<p>MITRE recommends the IRS conduct data analysis of the demographics of the population who are prime candidates for Free File but not using it.</p> <p>MITRE recommends the IRS conduct a taxpayer behavior study to better understand the factors involved in a taxpayer's choice of filing methods. Understanding taxpayer motivations and behaviors could help determine which would be an acceptable FFA File number if a banner is needed at all. This analysis will be conducted prior to the initial MITRE research project and will be proposed as a future research project.</p> <p>MITRE recommends the IRS conduct a customer survey of Free File users specifically to IRS experience of FreeFile (not the software they find their way to as a machine) and create an online survey for users to capture continuous feedback.</p> <p>MITRE recommends that the spirit of transparency, the IRS propose the industry to use an indicator on free commercial filings.</p> <p>Or</p> <p>MITRE recommends the IRS request that FFA provide them the aggregate number of taxpayers who file their taxes using free commercial products each year. When developing metrics, this will help with understanding a more accurate picture of the population of the Free File marketplace.</p> <p>MITRE recommends the IRS commission an awareness study to baseline taxpayer awareness of Free File specifically of target demographics through Free File.</p> <p>MITRE recommends the IRS conduct a targeted awareness campaign to the public about the IRS-sponsored venues such as low-income tax clinics (LITC) and ITIN sites, including IRS' own website.</p> <p>MITRE recommends the IRS conduct a cost/benefit analysis to determine whether to purchase paid advertising to reach taxpayers searching for Free Tax filing. When developing metrics, this will help with understanding a more accurate picture of the population of the Free File marketplace.</p> <p>MITRE recommends the IRS conduct an online survey of Free File users specifically on IRS experience of FreeFile (not the software they find their way to as a machine) and create an online survey for users to capture continuous feedback.</p> <p>MITRE recommends the IRS contact a sample of taxpayers who are prime candidates for Free File but not using it.</p> <p>MITRE recommends the IRS contact a sample of taxpayers who are prime candidates for Free File but not using it.</p>
General			<p>Free File Fillable Forms were not within the scope of the MITRE assessment.</p>